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Economic
Development
and Trade

Policy Development and Coordination Branch

Monthly Economic Revie

FEBRUARY, 1992

CANADIANA

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ALBERTA ECONOMIC DEVELOPMENT AND TRADE

MONTHLY ECONOMIC REVIEW

FEBRUARY, 1992

PREPARED BY:

ALBERTA ECONOMIC DEVELOPMENT & TRADE
POLICY DEVELOPMENT & COORDINATION BRANCH
MARCH 17, 1992
(PRODUCED ON ASIST)

CURRENT ECONOMIC INDICATORS
FEBRUARY 1992
HIGHLIGHTS

Employment/Unemployment: The unadjusted unemployment rate in Alberta declined slightly from 10.4% in January to 10.3% in February 1992 and ranked third lowest in Canada in the latest month. The number of unemployed and the number of employed each declined by 2,000 over the two month period. By industry, unemployment rates increased in agriculture, logging and forestry, mining, retail trade, and accommodation, food and beverages and declined in manufacturing, construction, business services, and health and social services.

Housing: Attributable to losses in the industrial and commercial categories, the total value of building permits in Alberta decreased by 12.4% in December 1991 compared to 1990 and by 11.8% for the year. Total urban dwelling starts increased by 26.2% in November 1991 over November 1990 though figures are down 32.3% on a year-to-date basis.

International Travellers: The total number of non-residents entering Alberta increased by 0.3% in January 1992 compared to January 1991 attributable, in part, to increased visitations from Germany, Switzerland, Hong Kong, and Australia (Note: U.S. figures exclude same-day entries. See data table for additional note).

Domestic Trade: Restaurant, caterers and tavern receipts declined by 7.8% in October 1991 over October 1990 and by 5.4% on a year-to-date basis. The value of retail trade declined by 7.1% in December 1991 over the same month of 1990 bringing the annual loss to 5.1%. This latter figure compares to a national drop of 6.4%.

Manufacturing: The total value of manufacturing shipments in Alberta declined by 13.1% in January 1992 compared to January 1991 with losses posted in all major categories except beverages, wood products, and paper and allied products. Shipments declined by 6.2% on a national basis over the same period.

Energy: Following a 1.0% decline in July, natural gas production increased by 2.1% in August 1991 compared to August 1990. Crude oil and equivalents production declined by 1.0% in the latest month. Rig activity continued to decline in the first month of 1992 with rigs drilling down almost 40% over levels recorded in January 1991.

Agriculture: Despite losses in receipts from both crops and livestock, total farm cash receipts increased by 21.4% in the final quarter of last year compared to the same period in 1990. The gain moderated losses on an annual basis; receipts declined 1.7% from January to December.

Bankruptcies/Incorporations: Both business and consumer bankruptcies increased in December 1991, by 9.2% and 35.8% respectively, compared to December 1990. In the same order, bankruptcies increased by 16.1% and by 46.2% for the year. Incorporations of Alberta firms decreased by 1.9% in February 1992 compared to February 1991 while incorporations of non-Alberta firms increased by 13.1% over the same period.

Exports: Total international exports from Alberta declined by 17.0% in October 1991 compared to October 1990 with losses registered in crude and fabricated material exports. Total value has, nonetheless, increased by 8.1% on a year-to-date basis, the highest rate of growth in Canada.

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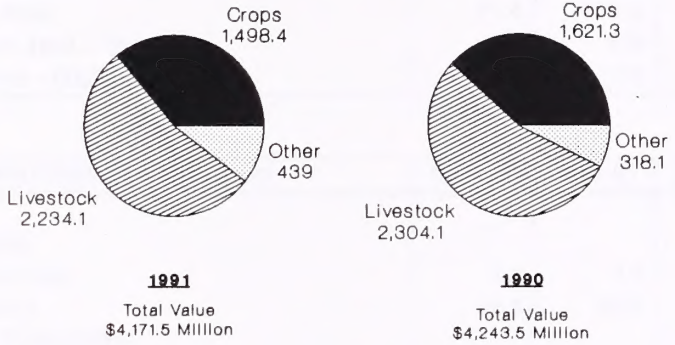
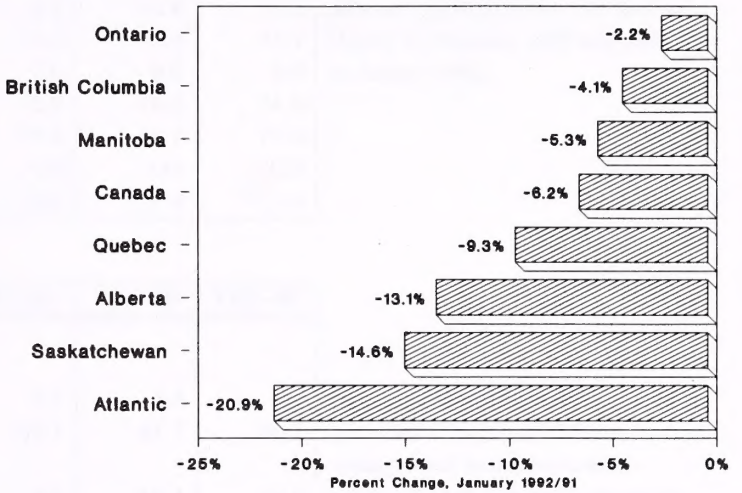
FARM CASH RECEIPTS, ALBERTA
(Millions of Dollars)

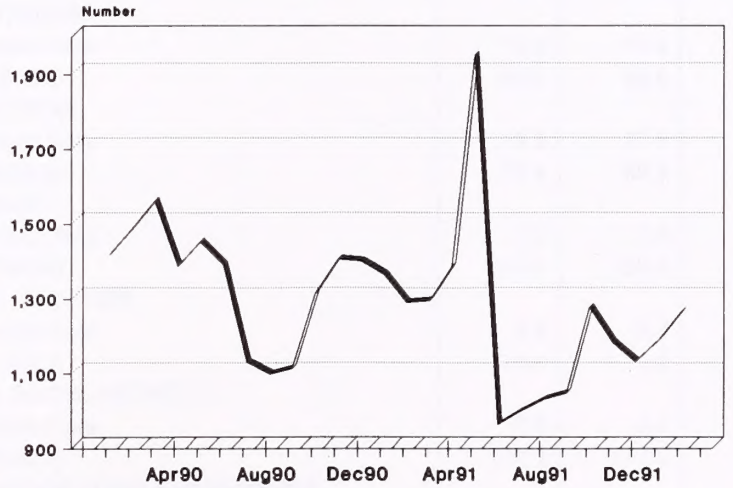


MANUFACTURING SHIPMENTS, PROVINCES

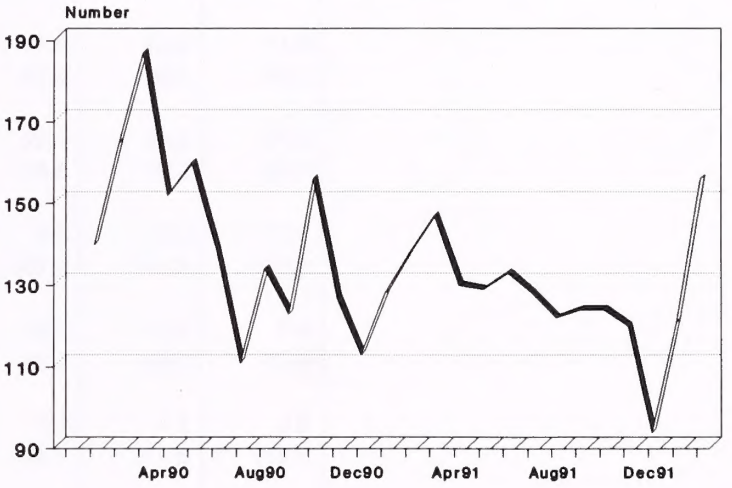


INCORPORATIONS

ALBERTA FIRMS



NON-ALBERTA FIRMS



BUILDING PERMITS ($millions)	JANUARY - DECEMBER 1990	1991	PER CENT-CHANGE	NOVEMBER 1990	1991	PER CENT-CHANGE	DECEMBER 1990	1991	PER CENT-CHANGE
Alberta									
a) Total Value	2,991.0	2,639.1	-11.8	214.9	196.2	-8.7	158.8	139.1	-12.4
b) Residential	1,657.2	1,359.1	-18.0	81.4	90.0	10.6	52.3	80.4	53.7
c) Industrial	363.6	261.3	-28.1	38.9	12.8	-67.1	25.3	5.0	-80.2
d) Commercial	710.3	608.1	-14.4	53.7	72.6	35.2	57.4	18.7	-67.4
e) Institutional/Government	260.0	410.6	57.9	40.8	21.1	-48.3	23.8	35.0	47.1

Despite gains in residential and institutional/government permits, total value declined by 12.4% in December 1991 compared to December 1990.

DWELLING STARTS (urban)	JANUARY - NOVEMBER 1990	1991	PER CENT-CHANGE	OCTOBER 1990	1991	PER CENT-CHANGE	NOVEMBER 1990	1991	PER CENT-CHANGE
Alberta									
a) Single Detached	11,026	7,407	-32.8	652	794	21.8	656	719	9.6
b) Two Family	564	518	-8.2	40	88	120.0	30	102	240.0
c) Row	1,047	730	-30.3	74	171	131.1	147	88	-40.1
d) Apartments	1,126	661	-41.3	38	71	86.8	0	142	---

Growth was registered in all categories of urban dwelling starts except row housing in November 1991 over 1990.

INTERNATIONAL TRAVELERS NON-RESIDENTS ENTERING	JANUARY 1991	1992	PER CENT-CHANGE	DECEMBER 1990	1991	PER CENT-CHANGE	JANUARY 1991	1992	PER CENT-CHANGE
Alberta									
a)Total	20,555	20,622	0.3	27,577	28,587	3.7	20,555	20,622	0.3
b)U.S.A	13,141	13,063	-0.6	18,339	19,126	4.3	13,141	13,063	-0.6
c)Germany	424	608	43.4	563	693	23.1	424	608	43.4
d)Netherlands	165	162	-1.8	380	309	-18.7	165	162	-1.8
e)Switzerland	156	310	98.7	191	156	-18.3	156	310	98.7
f)United Kingdom	878	788	-10.3	1,891	1,884	-0.4	878	788	-10.3
g)Hong Kong	59	61	3.4	77	84	9.1	59	61	3.4
h)Japan	703	278	-60.5	456	353	-22.6	703	278	-60.5
i)Australia	284	337	18.7	497	543	9.3	284	337	18.7

Travelers entering Alberta increased slightly in January 1992 compared to January 1991.

(Note:Figures given are for non-residents entering Alberta directly. Consequently, actual totals will be understated as significant numbers of travelers enter via other provinces. This movement will not be reflected in this table.)

For additional tourism statistical data, contact Tourism, Parks and Recreation, Strategic Planning Branch (Tourism) at 427-4322.

ENERGY	JANUARY - AUGUST 1990	JANUARY - AUGUST 1991	JANUARY - AUGUST PER CENT-CHANGE	JULY 1990	JULY 1991	JULY PER CENT-CHANGE	AUGUST 1990	AUGUST 1991	AUGUST PER CENT-CHANGE
Alberta									
a) Natural Gas Production (millions of cubic metres)	76,169.1	78,680.7	3.3	9,100.8	9,005.9	-1.0	9,018.1	9,206.4	2.1
b) Crude Oil and Equivalents Production (thousands of cubic metres)	52,026.6	52,391.9	0.7	6,772.5	6,717.6	-0.8	6,835.5	6,764.5	-1.0

Production of natural gas increased in August 1991 over August 1990, while crude oil and equivalents production declined.

RIG ACTIVITY	JANUARY 1991	JANUARY 1992	JANUARY PER CENT-CHANGE	DECEMBER 1990	DECEMBER 1991	DECEMBER PER CENT-CHANGE	JANUARY 1991	JANUARY 1992	JANUARY PER CENT-CHANGE
Alberta									
a) Drilling activity	216	131	-39.4	204	118	-42.2	216	131	-39.4
b) Available	365	340	-6.8	372	346	-7.0	365	340	-6.8
OIL PRICE (W.T.I.-$U.S.)	24.70	18.82	-23.8	27.16	19.58	-27.9	24.70	18.82	-23.8

Rig activity continued to decline in January.

AGRICULTURE - Farm Cash Receipts ($millions)	JANUARY - DECEMBER 1990	JANUARY - DECEMBER 1991	JANUARY - DECEMBER PER CENT-CHANGE	JULY - SEPTEMBER 1990	JULY - SEPTEMBER 1991	JULY - SEPTEMBER PER CENT-CHANGE	OCTOBER - DECEMBER 1990	OCTOBER - DECEMBER 1991	OCTOBER - DECEMBER PER CENT-CHANGE
Alberta									
a) Total From Operations	4,243.5	4,171.5	-1.7	1,054.3	893.4	-15.3	933.2	1,133.2	21.4
b) Crops	1,621.3	1,498.4	-7.6	345.0	319.7	-7.3	288.8	271.6	-6.0
c) Livestock	2,304.1	2,234.1	-3.0	588.7	548.3	-6.9	539.9	529.5	-1.9

Total farm cash receipts increased in value over the final quarter of 1991 compared to 1990.

EXPORTS ($millions)	JANUARY - OCTOBER 1990	1991	PER CENT-CHANGE	SEPTEMBER 1990	1991	PER CENT-CHANGE	OCTOBER 1990	1991	PER CENT-CHANGE
Alberta									
a) Total	12,301.6	13,298.9	8.1	1,264.8	1,159.7	-8.3	1,583.2	1,313.6	-17.0
b) Crude Materials	7,309.8	7,972.7	9.1	805.5	675.8	-16.1	1,070.6	776.8	-27.4
c) Fabricated Materials	2,454.8	2,633.2	7.3	237.0	231.0	-2.5	301.9	259.9	-13.9
d) End Products	609.6	953.4	56.4	58.7	107.6	83.3	56.5	115.0	103.5
e) Other	1,927.4	1,739.6	-9.7	163.6	145.4	-11.1	154.1	161.9	5.1

Despite gains in exports of end and "other" products, total value declined by 17% in October 1991 compared to October 1990.

BANKRUPTCIES	JANUARY - DECEMBER 1990	1991	PER CENT-CHANGE	NOVEMBER 1990	1991	PER CENT-CHANGE	DECEMBER 1990	1991	PER CENT-CHANGE
Alberta									
a) Business	1,123	1,304	16.1	99	100	1.0	87	95	9.2
b) Consumer	3,770	5,510	46.2	432	499	15.5	313	425	35.8

Business bankruptcies increased in both categories in December.

NEW BUSINESS INCORPORATIONS	JANUARY - FEBRUARY 1991	1992	PER CENT-CHANGE	JANUARY 1991	1992	PER CENT-CHANGE	FEBRUARY 1991	1992	PER CENT-CHANGE
Alberta									
a) Alberta Corporations	2,636	2,437	-7.5	1,355	1,180	-12.9	1,281	1,257	-1.9
b) Non-Alberta Corporations	264	275	4.2	127	120	-5.5	137	155	13.1

Incorporations of non-Alberta firms increased in February 1992.

CONSUMER PRICE INDEX 1986=100 (Canada and Selected Cities)	ANNUAL RATES			1991						1992
	1988	1989	1990	JUL	AUG	SEP	OCT	NOV	DEC	JAN
a) Canada	108.6	114.0	119.5	126.8	126.9	126.7	126.5	127.0	126.4	127.0
b) Edmonton	107.1	111.8	117.8	125.2	125.3	125.2	124.8	125.2	124.6	125.4
c) Calgary	106.6	110.7	117.6	125.5	125.9	125.7	125.3	125.6	125.0	125.2
d) Halifax	107.4	112.5	118.2	125.1	124.8	125.2	125.2	126.0	125.2	125.2
e) Toronto	110.9	117.9	123.4	129.6	129.6	129.1	128.7	129.2	128.6	128.7
f) Winnipeg	108.5	113.7	118.9	125.4	125.6	125.6	125.0	126.3	125.7	125.7
g) Vancouver	106.8	111.5	117.6	123.9	123.9	124.1	124.1	124.6	124.0	125.4

Of cities listed, Vancouver posted the highest growth in the price index on a month over month basis.

EXCHANGE RATES (in $CDN)	ANNUAL AVERAGE			1991					1992	
	1989	1990	1991	AUG	SEP	OCT	NOV	DEC	JAN	FEB
a) United States	1.1839	1.1668	1.1457	1.1447	1.1368	1.1279	1.1303	1.1457	1.1565	1.1825
b) Japan	0.0086	0.0081	0.0085	0.0084	0.0085	0.0086	0.0087	0.0089	0.0092	0.0093
c) Germany	0.6308	0.7239	0.6939	0.6564	0.6718	0.6679	0.6978	0.7325	0.7324	0.7308
d) United Kingdom	1.9414	2.0824	2.0284	1.9268	1.9635	1.9439	2.0111	2.0910	2.0919	2.1024
e) France	0.1859	0.2148	0.2040	0.1932	0.1974	0.1959	0.2042	0.2143	0.2147	0.2147

The Canadian dollar increased in value against the DM, decreased against the U.S., Japanese, and British currencies, and was unchanged against the Franc.

INTEREST RATES (Prime Rates)	ANNUAL AVERAGE			1991					1992	
	1989	1990	1991	AUG	SEP	OCT	NOV	DEC	JAN	FEB
a) Canada	13.30	14.10	9.90	9.75	9.75	9.50	8.75	8.00	7.50	7.50
b) United States	10.90	10.00	8.40	8.50	8.50	8.00	8.00	6.50	6.50	6.50

Rates were unchanged in both countries in February.

CONSUMER PRICE INDEX 1986=100 (Selected Countries)	ANNUAL AVERAGE			1991						
	1988	1989	1990	JUN	JUL	AUG	SEP	OCT	NOV	DEC
a) Canada	113.1	118.7	124.4	132.0	132.0	132.1	131.9	131.7	132.2	131.6
b) United States	109.9	115.2	121.4	126.4	126.6	127.0	127.5	127.7	128.1	128.2
c) Japan	101.4	103.7	106.9	110.2	110.1	110.3	110.5	111.7	N/A	N/A
d) Germany	101.4	104.2	107.0	110.5	111.6	111.5	111.7	112.0	N/A	N/A
e) United kingdom	113.0	121.8	133.4	141.8	141.5	141.8	N/A	N/A	N/A	N/A
f) France	108.8	112.6	116.4	119.8	120.3	120.5	120.7	121.2	121.5	121.7

Where discernable, upward pressure on prices appears moderate.

INTERPROVINCIAL COMPARISON OF ECONOMIC INDICATORS

	ATLANTIC	QUEBEC	ONTARIO	MAN.	SASK.	ALBERTA	B.C.	CANADA	
UNEMPLOYMENT RATE (unadjusted)									
a) FEBRUARY 1991	16.7	13.5	10.4	9.5	8.9	8.2	11.2	11.2	*Alberta's unemployment rate was the*
b) FEBRUARY 1992	17.1	13.4	10.9	9.9	8.3	10.3	11.3	11.7	*third lowest in Canada in February.*
EMPLOYED (unadjusted 000's)									
a) FEBRUARY 1991	863	2,874	4,647	483	432	1,220	1,437	11,956	*Only B.C. and Saskatchewan*
b) FEBRUARY 1992	842	2,857	4,627	474	434	1,214	1,473	11,922	*posted increases in employment*
c) Percent Change	-2.4	-0.6	-0.4	-1.9	0.5	-0.5	2.5	-0.3	*over the period.*
TOTAL WAGES AND SALARIES (adjusted seasonally $millions)									
a) DECEMBER 1990	1,753.5	6,453.6	12,344.5	938.8	704.8	2,690.5	3,379.4	28,428.7	*Led by B.C., wages and salaries*
b) DECEMBER 1991	1,784.3	6,508.0	12,420.9	945.4	733.4	2,805.9	3,557.5	28,918.0	*increased across Canada in*
c) Percent Change	1.8	0.8	0.6	0.7	4.1	4.3	5.3	1.7	*December 1991 over 1990.*
RETAIL TRADE (unadjusted $millions)									
a) JANUARY TO DECEMBER 1990	15,381	47,760	71,251	6,596	5,628	19,878	24,459	191,520	*Retail trade continues to post*
b) JANUARY TO DECEMBER 1991	14,577	44,296	65,886	6,164	5,238	18,857	23,726	179,281	*weak performance in all regions*
c) Percent Change	-5.2	-7.3	-7.5	-6.6	-6.9	-5.1	-3.0	-6.4	*of Canada.*
MANUFACTURING (value of shipments of goods of own manufacture in $millions)									
a) JANUARY 1991	1,207.4	5,295.7	10,946.3	470.2	281.5	1,583.9	1,755.1	21,543.7	*The value of manufacturing shipments*
b) JANUARY 1992	955.3	4,805.1	10,702.4	445.4	240.3	1,375.8	1,682.5	20,209.2	*decreased across Canada in the*
c) Percent Change	-20.9	-9.3	-2.2	-5.3	-14.6	-13.1	-4.1	-6.2	*first month of the year.*
AGRICULTURE (Farm Cash Receipts from farming operations $millions)									
a) JANUARY TO SEPTEMBER 1990	664.5	2,806.1	4,096.1	1,493.1	3,180.9	3,310.4	887.4	16,438.4	*The value of farm cash receipts*
b) JANUARY TO SEPTEMBER 1991	618.6	2,651.4	3,928.5	1,398.6	2,906.2	3,021.7	867.6	15,392.7	*declined across the country over*
c) Percent Change	-6.9	-5.5	-4.1	-6.3	-8.6	-8.7	-2.2	-6.4	*the first nine months of 1991.*
EXPORTS ($millions)									
a) JANUARY TO OCTOBER 1990	6,231.0	20,700.0	58,131.2	2,407.7	4,287.2	12,301.6	14,127.8	118,578.9	*Alberta's rate of export growth*
b) JANUARY TO OCTOBER 1991	5,793.6	20,409.3	55,426.2	2,571.8	4,463.7	13,298.9	12,882.0	115,099.8	*continues to be the highest in*
c) Percent Change	-7.0	-1.4	-4.7	6.8	4.1	8.1	-8.8	-2.9	*Canada.*

SOURCES OF INFORMATION

Agriculture:	Statistics Canada Catalogue No. 21-001 **Farm Cash Receipts**
Bankruptcies:	Consumer and Corporate Affairs Canada, Superintendent of Bankruptcy
Building Permits:	Statistics Canada Catalogue No. 64-001 **Building Permits**
Business Incorporations:	Corporate Registry, Alberta Consumer & Corporate Affairs
Consumer Price Index:	Statistics Canada, Catalogue No. 62-002 and International Monetary Fund, **International Financial Statistics**
Dwelling Starts:	Statistics Canada Catalogue No. 64-002 **Housing Starts and Completions**
Energy Production and Oil Prices:	Alberta Energy Resources Conservation Board **Alberta Energy Resources Industries, Monthly Report**
Exchange Rates:	**Bank of Canada Review**
Exports:	Statistics Canada Catalogue No. 65-001 **Summary of Canadian International Trade**
Interest Rates:	**Bank of Canada Review**
International Travelers:	Statistics Canada Catalogue No. 66-001 **Travel Between Canada and Other Countries** and Statistics Canada Catalogue No. 63-011 **Restaurant, Caterer and Tavern Statistics**
Manufacturing:	Statistics Canada Catalogue No. 31-001 **Inventories, Shipments and Orders in Manufacturing**
Retail Trade:	Statistics Canada Catalogue No. 63-005 **Retail Trade**
Rig Activity:	Canadian Association of Oilwell Drilling Contractors
Unemployment/ Employment:	Statistics Canada Catalogue No. 71-001 **The Labour Force** (Industry statistics compiled by Alberta Career Development & Employment).
Wages and Salaries:	Statistics Canada Catalogue No. 72-005 **Estimates of Labour Income**

All series except international prices and business incorporations are also available on the Alberta Statistical Information System (ASIST).

Many of the figures presented in this report are preliminary estimates subject to revision.

ECONOMIC DEVELOPMENT
AND TRADE

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Printed in Canada 1988